



WILLIAM T FUJIOKA
Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE

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"To Enrich Lives Through Effective And Caring Service"

Board of Supervisors
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November 18, 2014

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

15 December 2, 2014


SACHIA HAMAI
EXECUTIVE OFFICER

**DEPARTMENT OF PUBLIC WORKS:
HALL OF JUSTICE REPAIR AND REUSE PROJECT
CITY OF LOS ANGELES
APPROVAL OF CHANGE ORDER FOR
RE-SEQUENCING AND ADDITIONAL LEAD MITIGATION
CAPITAL PROJECT NO. 86630; SPECS. 6649
FIRST DISTRICT
(4 VOTES)**

SUBJECT

This action will approve and authorize the Department of Public Works to execute a change order with Clark Construction Group California, LP for costs incurred by Clark Construction Group California, LP and its subcontractors due to the disruption and re-sequencing of their work caused by the unexpected necessity to abate lead-based paint on the Hall of Justice Repair and Reuse Project. The recommended change order can be funded within the approved Project budget.

IT IS RECOMMENDED THAT THE BOARD:

1. Find that the recommended action is within the scope of the Final Environmental Assessment/Environmental Impact Report prepared for the Hall of Justice Project, which was certified by the Board on June 13, 2006.
2. Approve and authorize the Director of Public Works, or her designee, to take all actions necessary to execute a change order with Clark Construction Group California, LP to compensate Clark Construction Group California, LP and its subcontractors for the additional costs incurred due to the disruption and re-sequencing of their work to accommodate the lead mitigation plan at the Hall of Justice, including additional costs associated with overtime, and trade productivity, for a total sum of

\$2,876,951.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended action will allow the Director of Public Works, or her designee, to execute a change order to compensate Clark Construction Group California, LP (Clark) and its subcontractors for additional costs incurred due to subcontractor work disruption and re-sequencing of the schedule to accommodate the lead mitigation plan, additional costs associated with overtime, and trade productivity inefficiencies as a direct result of re-sequencing of the schedule based on lead-based paint abatement activities. This change order will provide compensation for work associated with cleaning, protection, and monitoring provisions to achieve and maintain allowable lead levels at the Hall of Justice, for a total sum of \$2,876,951.

Background

On May 14, 2013, the Board gave approval and authorized the Director of Public Works, or her designee, to take all actions necessary to execute a change order for safe removal lead-based paint discovered on the existing structural steel for a total sum of \$6,454,623 with Clark for the Hall of Justice Repair and Reuse Project (Project). At that time, we advised your Board that certain issues remained unresolved and would return to your Board.

The work associated with the executed lead-based paint change order resulted in re-sequencing of the Project schedule in order to accommodate a lead mitigation plan for non-lead related construction trades. This lead mitigation plan included a 24-week shift to the start of interior trades such as framing, drywall, mechanical, elevators, and electrical. The mitigation plan also included a change in the direction of the interior construction from bottom-up to top-down. Certain elements needed to be built out-of-sequence, including the electrical and telecommunication rooms. Costs associated with the out-of-sequence work included temporary provisions, additional protection and handling of equipment in the basement, increased supervision, and additional stocking costs. The out-of-sequence work also forced a combination of overtime cost, as well as trade productivity inefficiencies.

In order to maintain the allowable lead levels, cleaning, protection, and monitoring provisions were implemented between the months of June 2013 and July 2014. This work was necessary in order to provide the County with a building that is safe for the occupants.

Green Building/Sustainable Design Program

The Project has complied with the Board's Green Building/Sustainable Design Program. The Project was designed and constructed to achieve the United States Green Building Council's Leadership in Energy and Environmental Design Gold level certification by incorporating sustainable design features to optimize energy and water use, enhance the sustainability of the site, improve indoor environmental quality, and maximize the use and reuse of sustainable and local resources.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs the provision of Operational Effectiveness/Fiscal Sustainability (Goal 1), by maximizing the effectiveness of process, structure, and operations to support timely delivery of customer-oriented and efficient public services. It also directs that we ensure Fiscal Sustainability by strengthening and enhancing the County's capacity to sustain essential County services through proactive and prudent fiscal policies and stewardship. Lastly, it

directs us to provide Integrated Services Delivery (Goal 3), by maximizing opportunities to measurably improve client and community outcomes and leverage resources through the continuous integration of health, community, and public safety services. Rehabilitation of the Project for use by the County's District Attorney's Office, Sheriff's Department, and the general public is consistent with the strategic plan goals.

FISCAL IMPACT/FINANCING

In 2011, the Board approved a Project budget of \$231,875,000 that included a design-build contract with Clark Construction for a contract sum of \$151,218,083 and \$16,921,917 for change order contingency. The Project Schedule and Budget Summary are included in the Attachment.

Approval of this change order of \$2,876,951 will bring the total amount of executed change order to \$16,262,204. Additional change orders are under our review and are anticipated to be covered within the change order contingency. Any change orders exceeding \$210,000 will be presented to the Board for approval.

Over the last several months, Clark submitted packages for review and approval, which separated the re-sequencing and work disruption into two major categories. The first package for \$2,195,356 is the work disruption and re-sequencing due to lead mitigation plan; the second package for \$681,595 includes work for cleaning, protection, and monitoring provisions to achieve and maintain allowable lead levels.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Pursuant to Public Contract Code Section 20137, the Board, as a 4-vote item, may approve a change order in an amount that does not exceed 10 percent of the original contract amount. The monetary amount of the requested change order is well below the statutory threshold. The contract contains terms and conditions supporting the Board's ordinances and policies, including, but not limited to: County Code Chapter 2.200, Child Support Compliance Program; County Code Chapter 2.202, Contractor Responsibility and Debarment; County Code Chapter 2.203, Contractor Employee Jury Service Program; County Code Chapter 2.206, Defaulted Property Tax Reduction Program; Board Policy No. 5.050, County's Greater Avenues for Independence (GAIN) and General Relief Opportunities for Work (GROW) Programs; Board Policy No. 5.060, Reporting of Improper Solicitations; Board Policy No. 5.110, Contract Language to Assist in Placement of Displaced County Workers; and Board Policy No. 5.135, Notice to Contract Employees of Newborn Abandonment Law (Safely Surrendered Baby Law).

As required by the Board, the Project cost includes 1 percent of design and construction costs, with a maximum of \$1,000,000, to be allocated to the Civic Art Fund per the Board's Civic Art Policy adopted on December 7, 2004 and amended on December 15, 2009.

ENVIRONMENTAL DOCUMENTATION

On June 13, 2006, the Board certified an Environmental Assessment/Environmental Impact Report (EA/EIR) for the Project. The recommended action is within the scope of the previously certified EA/EIR.

Upon the Board's approval of the Project, the Department of Public Works will file a Notice of

Determination with the Registrar-Recorder/County Clerk in accordance with Section 21152(a) of the California Public Resources Code.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

There will be no negative impact on current County services or projects during the performance of the recommended services.

CONCLUSION

Please return one adopted copy of this Board letter to the Chief Executive Office, Facilities and Asset Management Division; and the Department of Public Works, Project Management Division II.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "W. Fujioka" with a stylized flourish at the end.

WILLIAM T FUJIOKA
Chief Executive Officer

WTF:SHK:DJT
TJ:MDS:zu

Enclosures

- c: Executive Office, Board of Supervisors
- County Counsel
- Auditor-Controller
- District Attorney
- Internal Services
- Public Works
- Sheriff

November 18, 2014

ATTACHMENT

**DEPARTMENT OF PUBLIC WORKS:
HALL OF JUSTICE REPAIR AND REUSE PROJECT
CITY OF LOS ANGELES
APPROVAL OF CHANGE ORDER FOR
RE-SEQUENCING AND ADDITIONAL LEAD MITIGATION
CAPITAL PROJECT NO. 86630; SPECS. 6649
(FIRST DISTRICT)
(4 VOTES)**

I. PROJECT SCHEDULE

Project Activity	Scheduled Completion Date
Phase I Debris Removal	05/21/05*
Phase II Interior Demolition Design	04/04/05*
Phase III Interior Demolition	06/11/07*
Phase IV Rehabilitation Design	
a) Retrofit	01/01/08*
b) Rehabilitation Design	N/A
Completion of Remaining Phases V, VI, and VII by Design-Build Delivery	11/17/14
Phase VIII Move In/Start Up/Close Out	12/29/14

*Indicates completed activity.

II. PROJECT BUDGET SUMMARY

Budget Category	Project Budget	Impact of this Action	Revised Budget
Phase I Debris Removal (Complete)	\$ 569,000	\$ 0	\$ 569,000
Phase II Non-Structural Demolition Design	\$ 1,509,500	\$ 0	\$ 1,509,500
Phases III Interior Non-Structural Demolition (Complete) and Phase IV Structural Demolition/Retrofit Design	\$ 12,550,500	\$ 0	\$ 12,550,500
Design-Build/Lease-Lease Back RFP	\$ 2,716,000	\$ 0	\$ 2,716,000
Subtotal	\$ 17,345,000	\$ 0	\$ 17,345,000
Design-Build Phase V-VIII			
Construction			
Base Design-Build Contract	\$ 171,955,766	\$ 2,876,951	\$ 174,832,717
Design Completion Allowance	\$ 2,466,994	\$ 0	\$ 2,466,994
FF&E Allowance	\$ 9,000,000	\$ 0	\$ 9,000,000
Alternate Design Solutions Allowance Not-to-exceed	\$ 0	\$ 0	\$ 0
Maximum Design-Build Contract	\$ 183,422,760	\$ 2,876,951	\$ 186,299,711
Change Order Contingency	\$ 3,536,664	(\$ 2,876,951)	\$ 659,713
Utility Connection Fees	\$ 1,680,576	\$ 0	\$ 1,680,576
Civic Arts (maximum of \$1,000,000)	\$ 1,000,000	\$ 0	\$ 1,000,000
Subtotal	\$ 189,640,000	\$ 0	\$ 189,640,000
Plans and Specifications			
A/E Design-Build Support Services	\$ 1,500,000	\$ 0	\$ 1,500,000
Consultant Services			
Historic Resources Monitoring	\$ 150,000	\$ 0	\$ 150,000
Deputy Inspection	\$ 1,500,000	\$ 0	\$ 1,500,000
Materials Testing	\$ 1,200,000	\$ 0	\$ 1,200,000
Environmental Documents	\$ 150,000	\$ 0	\$ 150,000
Geotechnical Survey	\$ 300,000	\$ 0	\$ 300,000
Project Cost Estimating	\$ 500,000	\$ 0	\$ 500,000
Project Scheduling	\$ 250,000	\$ 0	\$ 250,000
Historic Documentation	\$ 150,000	\$ 0	\$ 150,000
LEED Commissioning	\$ 500,000	\$ 0	\$ 500,000
Subtotal	\$ 4,700,000	\$ 0	\$ 4,700,000

II. PROJECT BUDGET SUMMARY (Continued)

Budget Category	Project Budget	Impact of this Action	Revised Budget
Miscellaneous Expenditures			
Countywide Contract Compliance	\$ 500,000	\$ 0	\$ 500,000
Printing	\$ 50,000	\$ 0	\$ 50,000
Subtotal	\$ 550,000	\$ 0	\$ 550,000
Jurisdictional Review & Plan Check			
Building and Safety Division	\$ 800,000	\$ 0	\$ 800,000
Regional Planning	\$ 200,000	\$ 0	\$ 200,000
Grading	\$ 200,000	\$ 0	\$ 200,000
Geotechnical Materials Engineering	\$ 150,000	\$ 0	\$ 150,000
County Fire Inspection/Permits	\$ 200,000	\$ 0	\$ 200,000
Health Department	\$ 75,000	\$ 0	\$ 75,000
City of Los Angeles	\$ 1,000,000	\$ 0	\$ 1,000,000
Subtotal	\$ 2,625,000	\$ 0	\$ 2,625,000
County Services			
Construction Inspection Services	\$ 2,170,000	\$ 0	\$ 2,170,000
Construction Inspection Supervision	\$ 600,000	\$ 0	\$ 600,000
Contract Administration	\$ 500,000	\$ 0	\$ 500,000
ISD FOS Trades	\$ 1,500,000	\$ 0	\$ 1,500,000
Project Manager	\$ 1,850,000	\$ 0	\$ 1,850,000
Assistant Project Manager	\$ 1,750,000	\$ 0	\$ 1,750,000
Capital Projects Manager	\$ 500,000	\$ 0	\$ 500,000
Document Control	\$ 800,000	\$ 0	\$ 800,000
Secretarial	\$ 650,000	\$ 0	\$ 650,000
Project Technical Support	\$ 400,000	\$ 0	\$ 400,000
Consultant Contract Recovery	\$ 150,000	\$ 0	\$ 150,000
Project Contingency	\$ 4,555,000	\$ 0	\$ 4,555,000
Subtotal	\$ 15,425,000	\$ 0	\$ 15,425,000
Total	\$ 231,785,000	\$ 0	\$ 231,785,000